

## US economic growth accelerates in third quarter

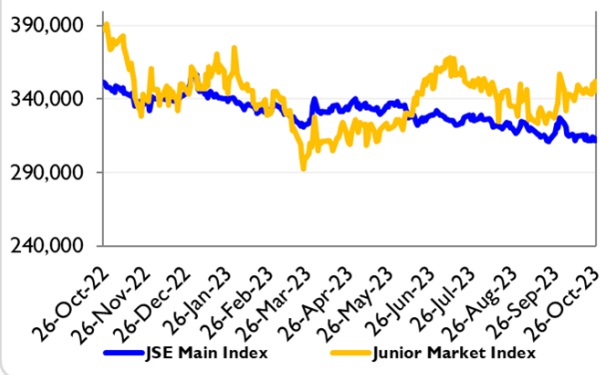
The U.S. economy grew at its fastest pace in nearly two years in the third quarter as higher wages from a tight labour market helped to power consumer spending, again defying dire warnings of a recession that have lingered since 2022. Gross Domestic Product (GDP) increased at a 4.9% annualized rate last quarter, the fastest since the fourth quarter of 2021, the Commerce Department's Bureau of Economic Analysis said in its advance estimate of third-quarter GDP growth. Economists polled by Reuters had forecast GDP rising at a 4.3% rate. Estimates ranged from as low as a 2.5% rate to as high as a 6.0% pace, a wide margin reflecting that some of the input data, including September durable goods orders, goods trade deficit, wholesale and retail inventory numbers were published at the same time as the GDP report.

The economy grew at a 2.1% pace in the April-June quarter and is expanding at a pace well above what Fed officials regard as the non-inflationary growth rate of around 1.8%. While the robust growth pace notched last quarter is unlikely sustainable, it was testament to the economy's resilience despite aggressive interest rate hikes from the Federal Reserve. Growth could slow in the fourth quarter because of the United Auto Workers strikes and the resumption of student loan repayments by millions of Americans. Most economists have revised their forecasts and now believe that the Fed can engineer a "soft-landing" for the economy, pointing to strength in worker productivity and moderation in unit labour costs growth in the second quarter, which they expected carried through into the July-September period.

Consumer spending, which accounts for more than two-thirds of U.S. economic activity, was the main driver. A strong labour market is providing underlying support to spending. Though wage growth has slowed, it is rising a bit faster than inflation, lifting households' purchasing power. Financial markets expect the Fed to keep interest rates unchanged at its October 31 to November 1 policy meeting, according to CME Group's FedWatch. Since March, the U.S. central bank has raised its benchmark overnight interest rate by 525 basis points to the current 5.25% to 5.50% range.

Source: Reuters

### Local Market Indices



### Foreign Exchange Market

Currency	26-Oct	25-Oct	DoD % Δ	YTD % Δ
USD:JMD	156.12	155.74	0.24%	2.67%
GBP:JMD	188.43	189.82	-0.73%	3.48%
CAD:JMD	112.26	114.28	-1.77%	3.48%

### Caribbean & Latam

- Latin American currencies were broadly steady on Thursday, with the Brazilian real slipping after data reflected a downward trend in domestic inflation, while investors also assessed corporate earnings out of Mexico.

### USA & Canada

- The Dow closed lower Thursday, pressured by a Meta-led slump in tech as concerns about slowing advertising growth offset better-than-expected quarterly results.

### Europe

- European shares dropped on Thursday, hit by a rise in U.S. Treasury yields and a slew of weak earnings reports including from Standard Chartered in the run up to the European Central Bank's policy decision later in the day.

### Asia

- Emerging Asian currencies and stocks fell on Thursday as U.S. bond yields and the dollar rose on fears of higher-for-longer interest rates, with the Philippine peso slipping as its central bank opted for an off-cycle rate hike.

### Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	326,891.48	-1,272.78	-0.39%	-11.31%	-10.59%
JSE Index	311,809.96	-1,727.61	-0.55%	-12.39%	-11.24%
All Jamaican Composite Index	346,651.73	-951.42	-0.27%	-14.00%	-13.80%
JSE Select Index	7,759.16	-145.26	-1.84%	-12.78%	-13.04%
Junior Market Index	3,931.97	38.47	0.99%	-1.37%	-4.85%

### BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
ELITE	13.33%	MTLJA	-15.36%
PTL	12.67%	ICREATE	-7.79%
GENAC	8.95%	WISYNCO	-7.12%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **92** stocks, of which **50** advanced, **26** declined and **16** traded firm.

### International Markets

International Equity Markets					International Currency Market				
Index	26-Oct	DoD % Δ	YTD % Δ	YoY % Δ	Currency	26-Oct	DoD % Δ	YTD % Δ	YoY % Δ
S&P 500	4,137.23	-1.18%	7.75%	8.00%	EUR: USD	1.0563	-0.03%	-1.33%	4.78%
Dow Jones	32,784.30	-0.76%	-1.09%	2.97%	GBP: USD	1.21	0.14%	0.38%	4.34%
FTSE All Share	3,959.51	-0.78%	-2.84%	2.42%	USD: CAD	1.38	0.25%	2.04%	2.05%
Euro Stoxx 50	4,049.40	-0.59%	6.74%	12.32%	USD: JPY	150.40	0.11%	14.70%	2.75%
Nikkei 225	30,601.78	-2.14%	6.29%	11.56%					
MSCI World Index	630.65	-1.12%	4.17%	7.96%					

Global Interest Rates					Commodities				
Rates	26-Oct	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	26-Oct	DoD % Δ	YTD % Δ	YoY % Δ
10 -Year US Treasury Bond	4.84%	-11.00	97.00	84.00	Crude Oil	83.21	-2.55%	3.68%	-5.35%
10-Year UK Gilt	4.60%	-1.00	93.00	102.00	Gold	1,984.71	0.25%	8.81%	19.23%
GOJ 2025 Global Bond	6.85%	-2.00	281.00	48.00	Silver	22.80	-0.31%	-4.84%	16.41%
					Aluminium	2,197.50	-0.97%	-7.59%	-5.89%



# Mutual Funds

Fund Managers Ltd.

A member of the Group

## JN MUTUAL FUNDS

October 25, 2023

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
<b>Global Diversified Income</b>	J\$13.3766	3.23%	3.31%	3.23%
<b>Global Equity</b>	J\$14.0839	-3.55%	-3.41%	0.00%
<b>Global Fixed Income</b>	J\$14.8047	8.55%	7.41%	7.10%
<b>Global Money Market (US\$)</b>	US\$11.6873	3.25%	2.56%	4.19%
<b>Global Fixed Income (US\$)</b>	US\$11.6422	2.67%	1.75%	5.21%
<b>Local Money Market</b>	J\$13.1607	10.12%	9.00%	7.65%

	Global Money Market Fund	Local Money Market Fund	Global Fixed Income Funds	Global Diversified Income Fund	Global Equity Fund
<b>Objective</b>	To preserve capital whilst providing US dollar (US\$) money market returns	To preserve capital whilst providing Jamaican Dollar (J\$) money market returns	To achieve an attractive total return through capital injection and income growth. This is offered through two separate Funds: (i) A Jamaican dollar (J\$) and (ii) A US dollar (US\$) fund.	To provide long-term investment growth through exposure to a diversified range of asset classes.	To provide long-term capital growth and risk diversification.
<b>Strategy</b>	To invest in local and global money market instruments for safety, liquidity and yield.	To invest in local and global money market instruments for safety and liquidity and yield	To invest in regional, sovereign debt securities, local and international corporate bonds.	To invest in fixed income, high dividend yielding stocks, REITs and structured products	To invest in the shares of local and international companies which offer strong growth possibilities and consistent income

With a suite of six investment portfolios, each with a distinct financial profile, JN Mutual Funds offers a premium opportunity for investors to align their personal financial strategy with their goals, time horizons and risk profile.

## Contact us

### Kingston & St. Andrew

**Jason Adams** - 876-550-9504 [JYadams@jngroup.com](mailto:JYadams@jngroup.com)

**Kimberly Savage** – 876-307-9461 [ksavage@jngroup.com](mailto:ksavage@jngroup.com)

**Tamara Honeyghan** - 876-557-0082 [tamarah@jngroup.com](mailto:tamarah@jngroup.com)

**Gayon Knight** - 876-564-9563 [gknight@jngroup.com](mailto:gknight@jngroup.com)

### Mandeville

**Horace Walters** – 876-487-9267 [waltersh@jngroup.com](mailto:waltersh@jngroup.com)

### St. Catherine

**Nickesha Mullings-Gilling** - 876-891-4736 [nmullings@jngroup.com](mailto:nmullings@jngroup.com)

### Montego Bay

**Anna-kaye Lynfatt** - 876-564-8276 [alynfatt@jngroup.com](mailto:alynfatt@jngroup.com)

**Marissa Williams** - 876-465-3726 [mwilliams1@jngroup.com](mailto:mwilliams1@jngroup.com)

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